

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

R&B Department – Prakasam District – Payment of interest @ 18% on Decretal amount of Rs.2,26,450/- to Sri D.Jagapathi Raju, as High Court Order in Civil Revision Petition No.2958/2007 - Orders – Issued.

TRANSPORT, ROADS & BUILDINGS (ROADS.VI) DEPARTMENT

G.O.Rt.No. 126

Dated:25-01-2014.

Read:-

From the ENC(R&B) State Roads, Hyderabad, Lr.No.13815/TA 2AEE
3/2006, Dt:17.01.2013

-X-X-X-X-X-

ORDER:

In the reference read above, the Engineer-in-Chief (R&B), State Roads, Hyderabad has stated that the work "New Construction of Road from Gollapadu – Uppalapadu from Km.0/0 to 13/00 was entrusted to M/s Durga Constructions Kotappakonda represented by its Managing Partner Sri D.Jagapathi Raju, vide CR Ag.No.59/R/81-82 of Superintending Engineer (R&B) CAD Circle, Secunderabad. During execution of work, certain disputes have arisen between the department and Contractor. The firm has filed OP No.704/87 on the file of Principal Senior Civil Judge, Narasaraopet for removal of panel of Arbitrators and requested for Appointed of Sole Arbitrator. The OP No.704/87 was allowed by the Principal Senior Civil Judge, Narasaraopet and Sri T.K Mohan Rao, Chief Engineer (Retired) was appointed as sole Arbitrator and the learned sole Arbitrator passed Award Dt:17.08.1988 for Rs.2,26,450/- and payment of Interest @ 18% per annum from 01.04.1986 to the date of actual payment or date of Decree which ever is earlier. The firm have filed OP. No.299/88 before the Principal Senior Civil Judge, Narasaraopet to call for the award and pass a Decree in terms there of and the said OP was dismissed on 22.10.1990.

2. The Engineer-in-Chief (R&B) State Roads, Hyderabad, has stated that again, the firm M/s Durga Constructions, Narasaraopet have filed CMA No.293/91 in Hon'ble High Court of A.P. Hyderabad against the orders passed by the Principal Senior Civil Judge, Narasaraopet in OP No.299/88. The Hon'ble High Court, A.P. Hyderabad, allowed the CMA 293/91 and in its Judgment Dt:12.11.1993 passed orders and the matter is remanded back to the Lower Court for Disposal according to law and it was renumbered as OP.No.92/96. The Department has also filed OP No.325/88 under Section 30 of Arbitration Act to set aside the award and the same was dismissed. The Hon'ble Additional Senior Civil Judge, Narasaraopet Decreed the OS 92/96 on 14.11.2005. The rate of interest on decretal amount payable to the petitioner is reduced to 6% only from the date of filing of OP No.299/88 i.e., from 29.9.1988 instead of 18% of interest from 01.04.1986 till the date of Decree awarded by the Sole Arbitrator. The firm M/s Durga Constructions filed E.P.No.59/2006 in O.S 92/96 for payment of Decretal amount of Rs.2,26,450/- and for attachment of the movable properties of the Executive Engineer (R&B) Narasaraopet vide Notice Dt:29.04.2006 of Principal Senior Civil Judge, Narasaraopet. Further, the firm again approached the Hon'ble High Court of A.P. Hyderabad in CRP NO. 2958/2007 requesting for payment of Interest @ 18% on Decretal Amount of Rs.2,26,450/- instead of 6% allowed by the lower Court i.e., Additional Senior Civil Judge, Narasaraopet in OS.No.92/96(Arbitration OP.No.299 of 1988). The Hon'ble High Court of A.P. Hyderabad in its Judgment in CRP No.2958 of 2007, ordered for payment of Interest @ 18% per annum as awarded by the Arbitrator from the date of petition till the date of Decree and thereafter @ 6% per annum till the date of realization as awarded by the lower court. The Engineer in Chief (R&B) State Roads Hyderabad has therefore, requested to release of interest amount in the name of Sri D.Jagapathi Raju, as per the High Court Order of Civil Revision Petition No.2958/2007 towards payment of deference amount in rate of interest @ 18% on Decretal amount of Rs.2,26,450/-.

(P.T.O.,)

3. Government after careful examination of the proposal of Engineer-in-Chief(R&B) State Roads, Hyderabad, hereby accord sanction for an amount of Rs.4.50 Lakhs (Rupees Four Lakhs and Fifty thousands only) towards Payment of deference amount interest @ 18% on Decretal amount of Rs.2,26,450/- to Sri D.Jagapathi Raju, as per the High Court Order in Civil Revision Petition No.2958/2007.

4. The expenditure sanctioned in Para (3) above shall be debited to the Head of Account: 5054 – C.O.L on Roads & Bridges, 04 – District and Other Roads, MH – 800 – Other Expenditure, GH-11 – Normal State Plan, SH (07) – Major District Roads, 530 – Major Works, 531 – Other Expenditure (Charged). The orders will be issued by Finance (B.G.I) Department separately.

5. The Engineer-in-Chief (R&B), State Roads, Hyderabad, shall take further action accordingly, and send supplementary estimates at the appropriate time in the Financial Year 2013-14.

6. This order issues with the concurrence of Finance (Expr.PW) Dept vide their U.O.No.20467/805/Expr.Pw-II/2013, dated:21-08-2013.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

B.SAM BOB
PRINCIPAL SECRERARY TO GOVERNMENT

To
The Engineer-in-Chief (R&B), State Roads, Hyderabad.

Copy to:

The Finance (Expr.PW) Department.

The Accountant General, Andhra Pradesh, Hyderabad.

The Director of Works, Accounts, A.P., Hyderabad.

The Finance(B.G.I) Department.

SF/SC.

/FORWARDED BY ORDER//

SECTION OFFICER